

Message Text

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15

ACTION NEA-10

INFO OCT-01 ISO-00 SP-02 AID-05 EB-07 NSC-05 CIEP-01

TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00 INR-07

NSAE-00 XMB-02 FRB-03 L-03 /067 W

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R 131000Z AUG 75

FM AMEMBASSY ALGIERS

TO SECSTATE WASHDC 2891

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E.O. 11652: N/A

TAGS: PFOR, EGEN, AG, US

SUBJ: BILATERAL ISSUES

REF: ALGIERS 1642

1. DIRECTOR OF PLANNING, MINISTRY OF INDUSTRY AND ENERGY, ABDELAZIZ KHALEF ASKED ME TO CALL ON HIM AT MINISTER'S REQUEST AGUSUT 12 TO DISCUSS EXIM POLICY TOWARDS ALGERIA. QUESTION HAD BEEN RAISED WITH UNDER SECRETARY ROBINSON BY ABDESSELAM NOTABLY WITH REGARD TO PROPOSED ANTIBIOTICS PROJECT. EXIMBANK SEEMED FIRM IN ITS REJECTION OF FINANCING FOR THIS PROJECT, AND ALGERIA HAD DETECTED WHAT SEEMED TO BE RADICAL CHANGE IN EXIM ATTITUDE. IT HAD BECOME PERCEPTIBLY MORE COOL TOWARD ALGERIA. THIS CONFIRMED BY PESSIMISTIC REPORT FROM VARIOUS ALGERIAN EMBASSY MISSIONS WHICH HAD BEEN IN WASHINGTON. ABDESSELAM WANTED TO KNOW WHETHER THIS REFLECTED A TENDENCY TO STOP OR DECREASE EXIM BANK FINANCING OF PROJECTS IN ALGERIA OR WHETHER THIS WAS SIMPLY RESULT OF MISUNDERSTANDINGS, OR RELATED TO NATURE OF PROJECTS THEMSELVES. ALGERIANS NEEDED TO KNOW FOR PLANNING PURPOSES. IF THEY WERE NOT GOING TO GET EXIM SUPPORT THEY WOULD HAVE TO LOOK ELSEWHERE.

2. I SAID WE HAD NOT YET RECEIVED OFFICIAL REPLY TO
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QUESTIONS RAISED BY ABDESSELAM BUT I COULD ASSURE HIM

INFORMALLY THERE HAD BEEN NO DECISION TAKEN IN PRINCIPLE AGAINST FINANCING PROJECTS IN ALGERIA. IT WAS MY UNDERSTANDING THAT CURRENT PROSPECTS FOR POSSIBLE EXIM EXPOSURE IN ALGERIA TOTALED SOMETHING LIKE BILLION DOLLARS, ONE OF LARGEST IN WORLD. WE UNDERSTOOD THERE NO FIXED LIMIT ON EXIM FINANCING BUT THAT WHEN EXPORSURE GOT THIS LARGE EXIM, LIKE ANY OTHER BANK, BECAME MORE CAUTIOUS ABOUT WHAT IT FINANCED. DESICIONS MADE ON ECONOMIC GROUNDS, HOWEVER. WITH REGARD ANTIBIOTICS PLANT FOR INSTANCE, I HAD BEEN TOLD INFORMALLY THAT PART OF PROBLEM WAS THE RELATIVELY SMALL INPUT OF US GOODS.

3. KHALEF ASKED WHETHER WHAT I WAS SAYING WAS AN OFFICIAL RESPONSE OR UNOFFICIAL. I SAID THAT FOR THE MOMENT IT MUST BE CONSIDERED UNOFFICIAL BECAUSE I STILL AWAITING INSTRUCTIONS.

4. ACTION REQUESTED: PLEASE SEND INSTRUCTIONS AS TO RESPONSE TO ALGERIANS REGARDING EXIM POLICY. WOULD ALSO BE USEFUL HAVE INSTRUCTIONS WITH REGARD TO REPLY ON LNG AND ARZEW PROBLEMS RAISED IN REFTEL.

PARKER

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Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
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Concepts: POLICIES, DEVELOPMENT FINANCE, PROGRAMS (PROJECTS)
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Draft Date: 13 AUG 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
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